

**Public Assistance Program Integrity/Fraud Prevention Ad Hoc Subcommittee
Minutes - April 1, 2004**

Attendance:

Rick Zynda, DHFS/DHCF; Joanne Simpson, DHFS/DHCF; Steve Ploeser, DHFS/DHCF; Virginia Wiedenfeld, Richland County; Richard Eddings, Dane County; Mike Poma, Milwaukee County; Joyce E. McCrary-Brown, Milwaukee County; Charles Billings, DHFS/DHCF; Barry Chase, DHFS/DHCF; Nancy Foss, DHFS/DHCF, Gene Kucharski, Portage County/Wisconsin Association on Public Assistance Fraud, Richard Basiliere, Outagamie County.

Phone Attendees: Jim Borgeson, Douglas County.

The meeting was called to order by Rick Zynda.

The meeting minutes of March 11, 2004 were discussed and approved.

New Members:

Joanne Simpson from DHFS/DHCF will be joining the sub-committee periodically as we discuss the finalization of recommendations concerning the organizational and financial structure of the investigation/benefit recovery program.

Sheila Drays from Dodge County will be joining the sub-committee to replace Virginia Wiedenfeld, who will be retiring from her position at Richland County.

Steve Ploeser from DHFS/DHCF will be joining the sub-committee to replace Pam Kiern, and will advise the group on information technology issues as they pertain to recommendations.

Updates

Benefit Recovery Administrators Memo- Rick stated that the document is still under review in the Division of Health Care Financing. Once approved by the Division Administrator, the document will be sent to the Division Administrator at the Department of Workforce Development for approval.

Medicaid Tax Intercept – Rick indicated that Legal Action of Wisconsin had raised an issue concerning the legal process for intercepting taxes for repayment of a medical assistance overpayment. Federal law provides that incorrect medical assistance payments can be recovered through a lien on personal or real property only if there is a court judgement establishing liability.

Rick stated that the interpretation of the law is focused on whether or not the refund is considered personal property. The Department of Revenue (DOR) indicates that it is considered personal property. Therefore, intercept of refunds may be suspended until a resolution is determined. This only affects Medical Assistance tax intercept, not the other

Public Assistance programs. Rick made the point that this is another reason why the investigations program would not be able to financially operate on collections revenue and the importance of securing GPR funding for the program.

- A discussion ensued about the options to address this issue – i.e. voluntary agreements during the course of the investigation. There was a concern that LAW's position might negatively affect the clients in that the clients (with MA overpayments) would incur more debt by requiring them to pay court costs and fees associated with obtaining the necessary court judgment. Therefore, the effected clients may be more than willing to have the refund voluntarily intercepted in light of the extra costs.
- The Department will be researching any available options for streamlining the court judgement requirement.

Recommendations

Rick gave us an update that the document outlining the recommended changes concerning the organizational and financial structure of the Program Integrity/Fraud Prevention program was presented, in meetings, to Division of Health Care Financing managers at DHFS. There are three separate documents relating to our recommendation – a cover sheet, the recommendation document and a matrix chart. Rick stated that the Department is now focusing on budget requests, and that DHFS/DHCF felt it would be helpful to obtain information from the Legislative Audit Bureau about their preliminary analysis as to the cost-effectiveness of an investigation program. LAB is not able to release any preliminary information, but a draft of the report should be released in May.

1. The group discussed the matrix chart that Rick had drafted which comprehensively covered the recommendations that the committee should make regarding the 2005 and 2006 program
 - Discussed order of priorities.
 - Discussed where funds for benefit recovery are located in the IM allocation, and discussion on how IM fraud and FEV referral preparation functions are funded.
 - Discussed more in terms of fiscal analysis for the budget proposal for 2006.
 - Discussed IMAC's Workload and Finance Subcommittee and their measurement and analysis of the time spent on various ES responsibilities in processing a case for eligibility, that we may want to do this for program integrity (investigation and benefit recovery). There was a question as to whether or not the Workload & Finance measurement included benefit recovery activities.
 - Discussed continued 15% retention. If the program is fully funded by GPR, do we still want to recommend the 15% retention? This issue could be discussed by IMAC.

Final Comments:

Nancy Foss was asked to do some fiscal analysis independent of the LAB's, in order to complete the Division's budget proposal. Rick stated that we will make the final changes to the recommendation document, as well as to the matrix chart, based on discussion at this meeting, before Rich and Gene meet with ES PAC in the morning of April 15, 2004, and Rick, Gene and Rich's meeting with IMAC in the afternoon of April 15, 2004.

Submitted by Richard Basiliere

Revisions by Rick Zynda